

CITY OF LEXINGTON, NC
BUDGET ORDINANCE NO. 16-52

BUDGET ORDINANCE FOR THE CITY OF LEXINGTON GENERAL, SPECIAL REVENUE,
AND ENTERPRISE FUNDS FOR FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017.

BE IT ORDAINED by the City Council of the City of Lexington, North Carolina;

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the City government and its activities for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 6,428,421
Public Safety	10,863,740
Highways and Streets	2,107,512
Sanitation	1,820,563
Culture and Recreation	1,933,192
Economic and Physical Development	402,912
Debt Service	1,011,378
Other Financing Uses	423,584
Total Appropriations	<u>\$ 24,991,302</u>

Section 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Ad Valorem Taxes	\$ 9,694,600
Other Taxes	314,150
Unrestricted Intergovernmental	6,594,804
Restricted Intergovernmental	699,075
Permits and Fees	220,400
Sales and Services	1,509,110
Administrative Charges	2,271,273
Interest	26,767
Miscellaneous	22,950
Other Financing Sources	3,638,173
Total Appropriations	<u>\$ 24,991,302</u>

Section 3. The following amounts are hereby appropriated in the Special Revenue Fund - Controlled Substance for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Public Safety	\$ 84,680
Total Appropriations	<u>\$ 84,680</u>

Section 4. It is estimated that the following revenues will be available for the Special Revenue Fund - Controlled Substance for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Other Financing Sources	\$ 84,680
Total Estimated Revenues	<u>\$ 84,680</u>

Section 5. The following amounts are hereby appropriated in the Special Revenue Fund - Special Tax District for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Economic and Physical Development	\$ 100,000
Total Appropriations	<u>\$ 100,000</u>

Section 6. It is estimated that the following revenues will be available for the Special Revenue Fund - Special Tax District for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Ad Valorem Taxes	\$ 100,000
Total Estimated Revenues	<u>\$ 100,000</u>

Section 7. The following amounts are hereby appropriated in the Electric Fund for the operation of the electric system for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Electric Utility Operations	\$ 47,107,654
Debt Service	1,110,343
Other Financing Uses	<u>2,416,514</u>
Total Appropriations	<u>\$ 50,634,511</u>

Section 8. It is estimated that the following revenues will be available in the Electric Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Sales and Services	\$ 50,436,183
Other Revenues	<u>198,328</u>
Total Estimated Revenues	<u><u>\$ 50,634,511</u></u>

Section 9. The following amounts are hereby appropriated in the Water and Wastewater Fund for the operation of the water and wastewater system for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Water and Wastewater Utility Operations	\$ 8,389,386
Debt Service	875,997
Other Financing Uses	<u>431,543</u>
Total Appropriations	<u><u>\$ 9,696,926</u></u>

Section 10. It is estimated that the following revenues will be available in the Water and Wastewater Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Unrestricted Intergovernmental	\$ 7,783
Sales and Services	8,954,209
Other Revenues	216,141
Other Financing Sources	<u>518,793</u>
Total Estimated Revenues	<u><u>\$ 9,696,926</u></u>

Section 11. The following amounts are hereby appropriated in the Natural Gas Fund for the operation of the natural gas system for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Natural Gas Utility Operations	\$ 9,125,242
Debt Service	523,449
Other Financing Uses	<u>1,049,818</u>
Total Appropriations	<u><u>\$ 10,698,509</u></u>

Section 12. It is estimated that the following revenues will be available in the Natural Gas Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Unrestricted Intergovernmental	\$ 23,624
Sales and Services	10,568,919
Other Revenues	36,471
Other Financing Sources	<u>69,495</u>
Total Estimated Revenues	<u>\$ 10,698,509</u>

Section 13. The following amounts are hereby appropriated in the Golf Fund for the operation of the golf course for the fiscal year beginning July 1, 2016, and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Golf Course Operations	\$ 977,847
Debt Service	<u>168,584</u>
Total Appropriations	<u>\$ 1,146,431</u>

Section 14. It is estimated that the following revenues will be available in the Golf Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Sales and Services	\$ 703,253
Other Revenues	242
Other Financing Sources	<u>442,936</u>
Total Estimated Revenues	<u>\$ 1,146,431</u>

Section 15. There is hereby levied a tax at the rate of sixty five cents (\$.65) per one hundred dollars (\$100) assessed valuation of property as listed for taxes as of January 1, 2016, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the General Fund in Section 2 of this ordinance.

This rate is based on a total estimated valuation of property for the purposes of taxation of \$1,412,000,000 and an estimated rate of collection of 96.0%. The estimated rate of collection is based on the fiscal year beginning July 1, 2015 and ending June 1, 2016 estimated collection rate of 96.0%.

Section 16. There is hereby levied an uptown tax at the rate of twenty cents (\$.20) per one hundred dollars (\$100) assessed valuation of property as listed for taxes in the Uptown District as of January 1, 2016, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the Special Revenue Fund - Special Tax District in Section 6 of this ordinance.

This rate is based on a total estimated valuation of property in the Uptown District for the purposes of taxation of \$50,500,000 and an estimated rate of collection of 96.0%. The estimated rate of collection is based on the fiscal year beginning July 1, 2015 and ending June 1, 2016 estimated collection rate of 96.0%.

Section 17. The Budget Officer (City Manager or Assistant City Manager) is authorized to transfer appropriations as contained herein under the following conditions:

1. Transfers up to \$20,000 between functional areas within the same fund. The Budget Officer must make an official report on such transfers at the next regular meeting of the City Council.
2. All transfers between funds require prior approval by the City Council in an amendment to the Budget Ordinance.
3. Transfers or appropriation from City Council Neighborhood Revitalization Funds must have prior City Council approval; and any unspent funds at the end of the fiscal year will be classified as Committed Fund Balance for future year neighborhood revitalization initiatives.

Section 18. The City Council incorporates the budget on file with the Finance Officer and the City Clerk for direction in the collection and disbursement of funds and for public inspection.

Section 19. This ordinance is effective upon its adoption. This the 13th day of June, 2016.



Newell Clark, Mayor



Sara S. Lanier, MMC
City Clerk



CITY OF LEXINGTON, NC
BUDGET ORDINANCE NO. 16-53

FINANCIAL PLAN FOR THE CITY OF LEXINGTON INTERNAL SERVICE FUNDS FOR FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017.

BE IT ORDAINED by the City Council of the City of Lexington, North Carolina;

Section 1. The following amounts are estimated Revenues and Expenditures for the Internal Service Funds: Fleet Management Fund, Group Insurance Fund, Risk Management Fund and Utility Administration Fund for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017.

FLEET MANAGEMENT FUND

Appropriations Authorized	\$ 2,051,956
Anticipated Revenues	\$ 2,051,956

GROUP INSURANCE FUND

Appropriations Authorized	\$ 7,042,626
Anticipated Revenues	\$ 7,042,626

RISK MANAGEMENT FUND

Appropriations Authorized	\$ 1,659,544
Anticipated Revenues	\$ 1,659,544

UTILITY ADMINISTRATION FUND

Appropriations Authorized	\$ 3,246,435
Anticipated Revenues	\$ 3,246,435

Section 2. The Budget Officer (City Manager or Assistant City Manager) is authorized to transfer appropriations as contained herein under the following condition:

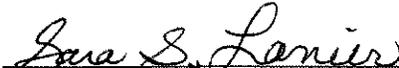
1. All transfers between funds require prior approval by the City Council in an amendment to the Budget Ordinance.

Section 3. The City Council incorporates the financial plan on file with the Finance Officer and the City Clerk for direction in the collection and disbursement of funds and for public inspection.

Section 4. This ordinance is effective upon its adoption. This the 13th day of June, 2016.



Newell Clark, Mayor



Sara S. Lanier, MMC
City Clerk



CITY OF LEXINGTON, NC
BUDGET ORDINANCE NO. 16-54

BUDGET ORDINANCE FOR THE CITY OF LEXINGTON CAPITAL PROJECT FUNDS
FOR FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017.

BE IT ORDAINED by the City Council of the City of Lexington, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The General Capital Project amended is the redevelopment of Lexington Furniture Industries (LFI) Plant One Property to be financed by leasing warehouse space to two tenants, Lexington Furniture Industries and Cider Bros, LLC, doing business as Bull City Ciderworks.

The Electric Construction in Progress project authorized is the 2017 Electric System Improvements project. This project will include Hwy 150/Sink Inn Breakers, Cotton Grove 44kV Feed, and GOAB Switches, each to be financed by a transfer from the Electric Fund.

Section 2. The officers of this unit are hereby directed to proceed with the capital projects within the terms of the budget contained herein.

Section 3. The following amounts are appropriated for the General Capital Projects Fund:

LFI Plant One Property	\$ 118,450
Total Appropriations	<u>\$ 118,450</u>

Section 4. The following revenues are anticipated to be available for the General Capital Projects Fund:

Property Rental (LFI Plant One Property)	\$ 118,450
Total Estimated Revenues	<u>\$ 118,450</u>

Section 5. The following amounts are appropriated for the Electric Construction in Progress Fund:

2017 Electric System Improvements	\$ 964,000
Total Appropriations	<u>\$ 964,000</u>

Section 6. The following revenues are anticipated to be available for the Electric Construction in Progress Fund:

Other Financing Sources - Transfer from Electric Fund	\$ 964,000
Total Estimated Revenues	<u>\$ 964,000</u>

Section 7. The Finance Officer is hereby directed to maintain within these funds sufficient specific detailed accounting records.

Section 8. Copies of this capital project ordinance shall be furnished to the Clerk, City Council, Budget Officer and the Finance Officer for direction in carrying out these projects.

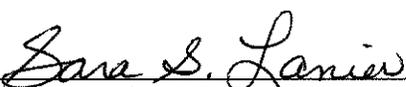
Section 9. The Budget Officer (City Manager or Assistant City Manager) is hereby authorized to transfer funds from one line item to another line item within each project without further approval by the City Council.

Section 10. The City Council incorporates the budget on file with the Finance Officer and the City Clerk for direction in the collection and disbursement of funds and for public inspection.

Section 11. This ordinance is effective upon its adoption. This the 13th day of June, 2016.



Newell Clark, Mayor



Sara S. Lanier, MMC
City Clerk



CITY OF LEXINGTON, NC
BUDGET ORDINANCE NO. 16-55

ORDINANCE AMENDING THE ESTABLISHMENT AND MAINTENANCE OF THE CAPITAL RESERVE FUND FOR FISCAL YEAR JULY 1, 2016 THROUGH JUNE 30, 2017.

BE IT ORDAINED by the City Council of the City of Lexington, North Carolina,

Section 1. Whereas, the City of Lexington owns and operates a municipal electric system, water and wastewater system, natural gas system and golf course collectively known as the Enterprise Funds; as well as a Fleet Management Internal Service Fund which accounts for activities related to maintaining the City's fleet of vehicles and equipment; and

Section 2. Whereas, the continued operation of the Enterprise Funds and the Fleet Management Fund requires significant capital expenditures to maintain a high degree of quality and service; and

Section 3. Whereas, the City of Lexington has established a Capital Reserve Fund for the purpose of future acquisition and/or construction of capital assets and infrastructure; and

Section 4. Whereas, the Capital Reserve Fund will remain operational until such time it is no longer practical; and

Section 5. Whereas, the Capital Reserve Fund should accumulate funds sufficient to provide for at least one year's average capital acquisition and construction expenditures; the reserves accumulated will be used for planned improvements, economic development opportunities, emergency expenditures, and vehicle and equipment purchases; and

Section 6. Whereas, the Enterprise Funds will make transfers to the Capital Reserve Fund when financially feasible and as City Council approves; these transfers will be restricted for future use by each respective enterprise fund; and

Section 7. Whereas, the Capital Reserve Fund will also derive funds from the collection of water and wastewater capital recovery fees for the purpose of future water and wastewater capacity expenditures; these funds will be restricted for future use by the Water and Wastewater Enterprise Fund; and

Section 8. Whereas, the Fleet Management Fund will make transfers to the Capital Reserve Fund when funds are received by the Fleet Management Fund from other City departments for the replacement of vehicles and equipment rented out to these respective departments and as City Council approves; these transfers will be restricted for future use by the Fleet Management Fund; and

Section 9. Whereas, for the City of Lexington to have available funds for future capital assets and infrastructure needs, and in accordance with N.C. General Statute 159 Sections 18-22, the following amounts are hereby appropriated in the Capital Reserve Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Capital Reserve - Water and Wastewater	\$ 75,000
Capital Reserve - Fleet Management	294,513
Other Financing Uses - Transfer to Fleet Management	<u>270,890</u>
Total Appropriations	<u><u>\$ 640,403</u></u>

Section 10. It is estimated that the following revenues will be available in the Capital Reserve Fund for the fiscal year beginning July 1, 2016, and ending June 30, 2017:

Other Financing Sources	<u>\$ 640,403</u>
Total Estimated Revenues	<u><u>\$ 640,403</u></u>

ADOPTED this the 13th day of June, 2016.



 Newell Clark, Mayor



 Sara S. Lanier, MMC
 City Clerk



CITY OF LEXINGTON, NC
RESOLUTION NO. 28-16

RESOLUTION APPROVING FEE AND RATE CHANGES FOR PARKS & RECREATION,
PUBLIC GROUNDS, ELECTRIC, WATER & WASTEWATER AND GOLF DEPART-
MENTS.

WHEREAS, the City of Lexington City Council has reviewed the fees and rates for the Parks & Recreation, Public Grounds, Electric, Water & Wastewater and Golf Departments and in an effort to provide sufficient revenues to meet budgetary demands, the Lexington City Council finds it necessary to make the following revisions to the City's Fee and Rate Schedules; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lexington that:

1. The amendments to the fee and rate schedules are attached hereto and incorporated by reference as:

Attachment A - Parks & Recreation Fees
Attachment B - Public Grounds Fees
Attachment C - Electric Fees
Attachment D - Water & Wastewater Fees
Attachment E - Golf Fees
Attachment F - Electric Rates
Attachment G - Water & Wastewater Rates

2. The fees and rates will be amended effective with the dates denoted on each Attachment.

ADOPTED this the 13th day of June, 2016.


Newell Clark, Mayor


Sara S. Lanier, MMC
City Clerk



PARKS & RECREATION FEES

Type of Fee	Current Fee	Proposed Fee 7/1/2016
Recreation Center Activity Room Rental Security Deposit	\$0.00	\$100.00

PUBLIC GROUNDS FEES

Current Type of Fee	Proposed Type of Fee 7/1/2016	Current Fee	Proposed Fee 7/1/2016
Open/Close Casket Grave Lot (M-F 8:00 am - 3:30 pm)	Open/Close Casket Grave Lot (M-F 8:00 am - 3:00 pm)**	\$500.00	\$500.00 (Same)
Open/Close Casket Grave Lot (M-F after 3:30 pm & Weekends/Holidays)	Open/Close Casket Grave Lot (M-F after 3:00 pm)**	\$600.00	\$600.00 (Same)
	Open/Close Casket Grave Lot (Weekends/Holidays)*	\$600.00	\$800.00
Open/Close Cremation Grave Lot (M-F 8:00 am - 3:30 pm)	Open/Close Cremation Grave Lot (M-F 8:00 am - 3:00 pm)**	\$250.00	\$250.00 (Same)
Open/Close Cremation Grave Lot (M-F after 3:30 pm & Weekends/Holidays)	Open/Close Cremation Grave Lot (M-F after 3:00 pm)**	\$350.00	\$350 (Same)
	Open/Close Cremation Grave Lot (Weekends/Holidays)*	\$350.00	\$550.00

*Proposing no burials on Thanksgiving Day or Christmas Day

**After hours time change from 3:30 pm to 3:00 pm

ELECTRIC FEES

Type of Fee	Current Fee	Proposed Fee 7/1/2016
Relocate Line, Service, and/or Pole	\$0.00	Actual Cost (Labor, Materials, Equipment)

WATER & WASTEWATER FEES

Type of Fee	Current Cost Recovery Fee	Current Commercial Fee	Proposed Cost Recovery Fee 7/1/2016	Proposed Commercial Fee 7/1/2016
Laboratory Fees:				
Test				
BOD	\$18.00	\$32.00	\$20.00	\$35.00
BOD Surcharge (per lb.)*	\$0.119 Ratify			
COD	\$15.00	\$25.00	\$18.00	\$30.00
Total Suspended Solids	\$8.00	\$15.00	\$10.00	\$20.00
Total Suspended Solids Surcharge (per lb.)*	\$0.071 Ratify			
Total Residue	\$8.00	\$15.00	\$10.00	\$20.00
Fecal Coliform - MFC	\$20.00	\$25.00	\$25.00	\$30.00
Total Kjeldahl Nitrogen (TKN)	\$20.00	\$30.00	\$25.00	\$35.00
Ammonia Nitrogen (NH3-N)	\$12.00	\$20.00	\$15.00	\$25.00
Temperature	\$4.00	\$8.00	\$5.00	\$10.00
Settable Matter	\$5.00	\$7.50	\$10.00	\$15.00
pH	\$5.00	\$7.50	\$10.00	\$15.00
Chlorine Residual	\$5.00	\$7.50	\$10.00	\$15.00
Aluminum	\$12.00	\$20.00	\$18.00	\$25.00
Cadmium	\$12.00	\$20.00	\$18.00	\$25.00
Copper	\$12.00	\$20.00	\$18.00	\$25.00
Chromium (Total)	\$12.00	\$20.00	\$18.00	\$25.00

*Surcharges can be added per parameter per industry (case by case basis)

WATER & WASTEWATER FEES (CONTINUED)

Type of Fee	Current Cost Recovery Fee	Current Commercial Fee	Proposed Cost Recovery Fee 7/1/2016	Proposed Commercial Fee 7/1/2016
Laboratory Fees:				
Test				
Lead	\$12.00	\$20.00	\$18.00	\$25.00
Mercury	\$25.00	\$40.00	\$30.00	\$45.00
Manganese	\$12.00	\$20.00	\$18.00	\$25.00
Nickel	\$12.00	\$20.00	\$18.00	\$25.00
Zinc	\$12.00	\$20.00	\$18.00	\$25.00
Oil/Grease	\$15.00	\$25.00	\$20.00	\$30.00
Dissolved Oxygen	\$8.00	\$12.00	\$10.00	\$15.00
CN-	\$35.00	\$70.00	\$45.00	\$80.00
Graphite Furnace Metals	\$5.00 additional		N/A	
Silver	\$12.00	\$20.00	\$18.00	\$25.00
Metal Digest	\$10.00	\$20.00	\$25.00	\$35.00
NO2	\$15.00	\$30.00	\$20.00	\$35.00
NO3	\$20.00	\$30.00	\$25.00	\$35.00
Phosphate	\$15.00	\$30.00	\$25.00	\$35.00

WATER & WASTEWATER FEES (CONTINUED)

Type of Fee	No. Per Week	Current Cost Per Test	Total Cost Per Week	Proposed Cost Per Test 7/1/2016	Proposed Cost Per Week 7/1/2016
Cost Recovery for Routine Monitoring					
Industry Fees:					
Test					
BOD	4	\$18.00	\$72.00	\$20.00	\$80.00
COD	4	\$15.00	\$60.00	\$18.00	\$72.00
TSS	4	\$8.00	\$32.00	\$10.00	\$40.00
T. SOL	4	\$8.00	\$32.00	\$10.00	\$40.00
pH	4	\$5.00	\$20.00	\$10.00	\$40.00
O/G	4	\$15.00	\$60.00	\$20.00	\$80.00
			\$276.00		\$352.00
Personnel: 5 days x 1.50 hrs per day x \$36*			\$270.00		\$270.00
Vehicle: 50 miles x IRS rate per mile*			\$27.00		\$27.00
Sampler: 5 days x \$10.00 per day*			\$50.00		\$50.00
Heavy Metals*			\$476.00		\$624.00
Processing (10% of above)*			\$110.00		\$132.00
		Total	\$1,209.00		\$1,455.00

*Estimate only - amount fluctuates based on IRS rate per mile and processing rate.

GOLF FEES

Type of Fee	Current Fee	Proposed Fee 7/1/2017
Golf Course:		
Daily Fee on Annual Pass	\$4.00	\$5.00
Daily Fee on Corporate Pass	\$4.00	\$5.00
Annual Pass with 9 Hole Cart	\$10.00	\$11.00
Corporate Pass with 9 Hole Cart	\$10.00	\$11.00

Type of Fee	Current Fee	Proposed Fee 1/1/2017	Proposed Fee 1/1/2018	Proposed Fee 1/1/2019
Commons on the Green Rental:				
Saturday	\$900.00	\$1,000.00	\$1,100.00	\$1,200.00
Friday and Saturday	\$750.00	NA	\$800.00	NA

Residential Service
Schedule R

Availability

Available only to residential customers in residences, condominiums, mobile homes or individually metered apartments that provide independent and permanent facilities complete for living, sleeping, eating, cooking and sanitation.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at one of the following approximate voltages where available:

Single-phase, 120/240 volts; or three-phase, 208Y/120 volts; or other available voltages at the City's option.

Motors in excess of 2 H.P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the City.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable Commercial Service Schedule.

Residential		
	Summer (June-September)	Non-Summer (October-May)
Basic Facilities Charge	\$20.00	\$20.00
Minimum Charge:	Basic Facilities Charge	
Energy Charges:		
First 500 kWh	\$.1251 per kWh	\$.1181 per kWh
Next 500 kWh	\$.1208 per kWh	\$.1139 per kWh
Over 1,000 kWh	\$.1180 per kWh	\$.1112 per kWh

The definitions of "Summer/Non-Summer," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Residential Service – All Electric
Schedule RA

Availability

Available only to residential customers in residences, condominiums, mobile homes or individually metered apartments that provide independent and permanent facilities complete for living, sleeping, eating, cooking and sanitation. In addition, all energy required for all water heating, cooking, clothes drying, and environmental space conditioning must be supplied electrically, and all electric energy used in such dwelling must be recorded through a single meter.

To qualify for service under this Schedule, the environmental space conditioning system and a separate electric water heater must be permanently installed in accordance with sound engineering practices and the manufacturer's recommendations, and both shall meet the following conditions.

Electric Space Heating:

1. Room-type systems shall be controlled by individual room thermostats.
2. Heat pumps shall be controlled by two-stage heating thermostats, the first stage controlling compressor operation and the second stage controlling all auxiliary resistance heaters. Auxiliary heaters shall be limited to 48 amps (11.5kW at 240 volts) each and shall be switched so that the energizing of each successive heater is controlled by a separate adjustable outdoor thermostat. A manual switch for by-pass of the first stage and the interlock of the second stage of the heating thermostat will be permitted.
3. Excess heating capacity (15% more than total calculated heat losses) may be disconnected at option of the City.
4. The residence shall be insulated so that total heat losses (as calculated by the current edition of ASHRAE Guide) shall not exceed 0.158 watts (0.539 BTUH) per sq. ft. of net heated area per degree F. temperature differential. Duct or pipe losses shall be included in the computation of total heat losses.

Electric Domestic Water Heater:

1. Water heaters shall be of the automatic insulated storage type, of not less than 30-gallon capacity, and may be equipped with only a lower element or with a lower element and an upper element.
2. Heaters having only a lower element may have wattage up to but not exceeding the specific wattage as shown below for various tank capacities.

Residential Service – All Electric
Schedule RA

Tank Capacity in Gallons	Maximum Single Element Wattage
30 – 39	3,500
40 – 49	4,500
50 and Larger	5,500

3. Heaters having both a lower and an upper element may have wattage in each element up to but not exceeding the specific wattage set forth in the table above for single element heaters, but they must have interlocking thermostats to prevent simultaneous operation of the two elements. However, if the sum of the wattage of the two elements does not exceed the specific wattage for single element heaters set forth in the table above, no interlocking device will be required.
4. Heaters of 120 gallons capacity and larger shall be subject to special approval.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at one of the following approximate voltages where available:

Single-phase, 120/240 volts; or three-phase, 208Y/120 volts; or other available voltages at the City's option.

Motors in excess of 2 H.P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the City.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable Commercial Service Schedule.

Residential Service – All Electric
Schedule RA

Residential - All Electric		
	Summer (June-September)	Non-Summer (October-May)
Basic Facilities Charge	\$20.00	\$20.00
Minimum Charge:	Basic Facilities Charge	
Energy Charges:		
First 500 kWh	\$.1202 per kWh	\$.1132 per kWh
Next 500 kWh	\$.1154 per kWh	\$.1084 per kWh
Over 1,000 kWh	\$.1121 per kWh	\$.1051 per kWh

The definitions of “Summer/Non-Summer,” “Determination of Energy,” and “Sales Tax” are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Residential-Other Structures Service
Schedule RO

Availability

Available to garages, barns, swimming pools, water pumps, and other structures and outbuildings that are used for domestic or recreational purposes that are on the same property as a residential dwelling that is served under the Residential Service rate and metered on a separate service apart from the residential dwelling. Such separately metered service shall qualify for this rate provided that it is used solely for non-commercial purposes and as long as the metered energy consumption does not exceed 1,000 kWh in any month.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at one of the following approximate voltages where available:

Single-phase, 120/240 volts; or three-phase, 208Y/120 volts; or other available voltages at the City's option.

Motors in excess of 2 H.P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the City.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable Commercial Service Schedule.

Residential-Other Structure		
	Summer (June-September)	Non-Summer (October-May)
Basic Facilities Charge	\$30.00	\$30.00
Minimum Charge:	Basic Facilities Charge	
Energy Charges:		
All kWh	\$.1186 per kWh	\$.1119 per kWh

The definitions of "Summer/Non-Summer," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Small Commercial Service
Schedule SC

Availability

Available to the non-residential customer with monthly demand of 50 kW or less.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other Schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

For Billing Months Energy		Rate
Basic Facilities Charge		\$60.00
Minimum Charge:	Basic Facilities Charge	
	Summer	Non-Summer
Demand Charge:		
First 10 kW	\$5.95 per kW	\$5.95 per kW
All Over 10 kW	\$12.31 per kW	\$12.31 per kW
Energy Charge:		
<i>First 100 kWh per kW Billing Demand Per Month</i>		
First 3,000 kWh	\$.1087 per kWh	\$.1019 per kWh
All Over 3,000 kWh	\$.0791 per kWh	\$.0724 per kWh
<i>Next 200 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0755 per kWh	\$.0686 per kWh
<i>All Over 300 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0650 per kWh	\$.0581 per kWh

Small Commercial Service
Schedule SC

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand charge each month is computed by multiplying the applicable demand rate times the maximum integrated 30-minute demand measured during the month.

The billing demand for computing energy charges each month shall be the maximum integrated 30-minute demand measured during the month, but not less than 30 kW.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Summer/Non-Summer," "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Small Commercial Service – All Electric
Schedule SCA

Availability

Available to the non-residential Customer with a monthly demand of 50 kW or less in which environmental space conditioning is required and all energy for all such conditioning (heating and cooling) is supplied electrically through the same meter as all other electric energy used in the establishment. However, if any such establishment contains residential housekeeping units, all energy for all water heating and cooking for such units is also supplied electrically.

To qualify for service under this Schedule, space-conditioning systems shall be permanently installed in accordance with sound engineering practices and the manufacturer's recommendation.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

Small Commercial Service – All Electric
Schedule SCA

For Billing Months Energy		Rate
Basic Facilities Charge		\$69.40
Minimum Charge:	Basic Facilities Charge	
	Summer	Non-Summer
Demand Charge:		
First 10 kW	\$6.07 per kW	\$6.07 per kW
All Over 10 kW	\$12.56 per kW	\$12.56 per kW
Energy Charge:		
<i>First 100 kWh per kW Billing Demand Per Month</i>		
First 1,875 kWh	\$.1290 per kWh	\$.1221 per kWh
All Over 1,875 kWh	\$.0902 per kWh	\$.0832 per kWh
<i>Next 200 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0797 per kWh	\$.0730 per kWh
<i>All Over 300 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0667 per kWh	\$.0598 per kWh

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand charge each month is computed by multiplying the applicable demand rate times the maximum integrated 30-minute demand measured during the month.

The billing demand for computing energy charges each month shall be the maximum integrated 30-minute demand measured during the month, but not less than 15 kW.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Small Commercial Service – All Electric
Schedule SCA

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Summer/Non-Summer," "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Medium Commercial Service
Schedule MC

Availability

Available to the non-residential customer whose monthly demand exceeds 50 kW in any three months of the preceding twelve months but is less than 250 kW.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other Schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

For Billing Months Energy		Rate
Basic Facilities Charge		\$80.00
Minimum Charge:	Basic Facilities Charge	
	Summer	Non-Summer
Demand Charge:		
All kW	\$12.31 per kW	\$12.31 per kW
Energy Charge:		
<i>First 100 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0996 per kWh	\$.0943 per kWh
<i>Next 200 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0902 per kWh	\$.0835 per kWh
<i>All Over 300 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0795 per kWh	\$.0728 per kWh

Medium Commercial Service
Schedule MC

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand for billing purposes each month shall be the maximum integrated 30-minute demand measured during the month.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Summer/Non-Summer," "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Medium Commercial Service – All Electric
Schedule MCA

Availability

Available to the non-residential customer whose monthly demand exceeds 50 kW in any three months of the preceding twelve months but is less than 250 kW and in which environmental space conditioning is required and all energy for all such conditioning (heating and cooling) is supplied electrically through the same meter as all other electric energy used in the establishment. However, if any such establishment contains residential housekeeping units, all energy for all water heating and cooking for such units is also supplied electrically.

To qualify for service under this Schedule, space-conditioning systems shall be permanently installed in accordance with sound engineering practices and the manufacturer's recommendation.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 HP may be single-phase. All motors of more than 5 HP must be equipped with starting compensators and all motors of more than 25 HP must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

Medium Commercial Service – All Electric
Schedule MCA

For Billing Months Energy		Rate
Basic Facilities Charge		\$208.22
Minimum Charge:	Basic Facilities Charge	
	Summer	Non-Summer
Demand Charge:		
All kW	\$12.56 per kW	\$12.56 per kW
Energy Charge:		
<i>First 100 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0936 per kWh	\$.0866 per kWh
<i>Next 200 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0866 per kWh	\$.0798 per kWh
<i>All Over 300 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0721 per kWh	\$.0652 per kWh

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand for billing purposes each month shall be the maximum integrated 30-minute demand measured during the month.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Medium Commercial Service – All Electric
Schedule MCA

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of “Summer/Non-Summer,” “Month,” “Determination of Energy,” and “Sales Tax” are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Large Commercial Service
Schedule LC

Availability

Available to the non-residential customer whose monthly demand is 250 kW or greater in any three months of the preceding twelve months.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

For Billing Months Energy	Rate	
Basic Facilities Charge		\$175.00
Minimum Charge:	Basic Facilities Charge	
	Summer	Non-Summer
Demand Charge:		
All kW	\$12.31 per kW	\$12.31 per kW
Energy Charge:		
<i>First 100 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0924 per kWh	\$.0853 per kWh
<i>Next 200 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0825 per kWh	\$.0754 per kWh
<i>All Over 300 kWh per kW Billing Demand Per Month</i>		
All kWh	\$.0696 per kWh	\$.0626 per kWh

Large Commercial Service
Schedule LC

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand for billing purposes each month shall be the maximum integrated 30-minute demand measured during the month.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Summer/Non-Summer," "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Medium Industrial Service
Schedule MI

Availability

Available only to establishments classified as “Manufacturing Industries” by the Standard Industrial Classification Manual, 1957 or later version, published by the Bureau of Budget, United States Government, and where more than 50% of the electric consumption of such establishment is used for its manufacturing processes whose monthly demand exceeds 50 kW in any three months of the preceding twelve months but is less than 250 kW.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

For Billing Months Energy	Rates
Basic Facilities Charge	\$145.00
Minimum Charge:	Basic Facilities Charge
Demand Charge:	
All kW	\$12.31 per kW
Energy Charge:	
First 100 kWh per kW Billing Demand Per Month	
All kWh	\$.0645 per kWh
Next 200 kWh per kW billing Demand Per Month	
All kWh	\$.0626 per kWh
All Over 300 kWh per kW Billing Demand Per Month	
All kWh	\$.0603 per kWh

Medium Industrial Service
Schedule MI

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand for billing purposes each month shall be the maximum integrated 30-minute demand measured during the month.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Large Industrial Service
Schedule LI

Availability

Available only to establishments classified as “Manufacturing Industries” by the Standard Industrial Classification Manual, 1957 or later version, published by the Bureau of Budget, United States Government, and where more than 50% of the electric consumption of such establishment is used for its manufacturing processes whose monthly demand exceeds 250 kW in any three months of the preceding twelve months but is less than 1,000 kW.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage. The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

For Billing Months Energy	Rates
Basic Facilities Charge	\$430.00
Minimum Charge:	Basic Facilities Charge
Demand Charge:	
All kW	\$12.31 per kW
Energy Charge:	
First 100 kWh per kW Billing Demand Per Month	
All kWh	\$.0681 per kWh
Next 200 kWh per kW billing Demand Per Month	
All kWh	\$.0639 per kWh
All Over 300 kWh per kW Billing Demand Per Month	
All kWh	\$.0598 per kWh

Large Industrial Service
Schedule LI

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand for billing purposes each month shall be the maximum integrated 30-minute demand measured during the month.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Very Large Industrial Service
Schedule VLI

Availability

Available only to establishments classified as “Manufacturing Industries” by the Standard Industrial Classification Manual, 1957 or later version, published by the Bureau of Budget, United States Government, and where more than 50% of the electric consumption of such establishment is used for its manufacturing processes whose monthly demand is 1,000 kW or greater in any three months of the preceding twelve months.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single site.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the City, except at the option of the City, under special terms and conditions expressed in writing with the contract with the Customer.

Type of Service

The City will furnish 60-Hertz service through one meter, at one delivery point, at the available voltage. The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the City before purchasing equipment.

Motors less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators and all motors of more than 25 H.P. must be the slip ring type except that the City reserves the right, when in its opinion the installation would not be detrimental to the service of the City, to permit other types of motors.

For Billing Months Energy	Rates
Basic Facilities Charge	\$675.00
Minimum Charge:	Basic Facilities Charge
Demand Charge:	
All kW	\$12.31 per kW
Energy Charge:	
First 100 kWh per kW Billing Demand Per Month	
All kWh	\$.0638 per kWh
Next 200 kWh per kW billing Demand Per Month	
All kWh	\$.0604 per kWh
All Over 300 kWh per kW Billing Demand Per Month	
All kWh	\$.0570 per kWh

Very Large Industrial Service
Schedule VLI

Determination of Billing Demand

At its option, the City may install a demand meter to measure demand for any customer served under this schedule.

The demand for billing purposes each month shall be the maximum integrated 30-minute demand measured during the month.

Minimum Bill

The minimum bill shall be the basic facilities charge.

Power Factor Correction

When the average monthly power factor of the Customer's power requirements is less than 90 percent, the City may correct the integrated demand in kilowatts for that month by multiplying by 90 percent and dividing the resultant value by the average power factor in percent for that month.

Contract Period

Customers must remain on this Tariff schedule for a period of no less than 12 months before switching tariffs or service unless it is determined by the City that the customer no longer qualifies for this service.

The definitions of "Month," "Determination of Energy," and "Sales Tax" are contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Street Lighting Service
Schedule SL

Availability

Available for all-night outdoor lighting solely for the purpose of lighting public streets and highways. This Schedule is not available for service to non-governmental entities.

Monthly Rate

- (A) Bracket Mounted Luminaries
 All-night street lighting service using overhead conductors and City standard equipment mounted on wood poles.

- (B) Other Luminaries
 Decorative and non-standard luminaries can be installed on request, at the City's option, at the rate listed below plus an additional monthly charge of \$6.28 per luminary.

Lamp Rating In Lumens	kWh Per Month	Type of Luminary	Monthly Rate
7,500	75	Mercury Vapor	\$7.22
20,000	152	Mercury Vapor	\$14.62
9,500	47	High Pressure Sodium Vapor	\$7.86
16,000	70	High Pressure Sodium Vapor	\$8.48
27,500	104	High Pressure Sodium Vapor	\$10.00
38,000	136	High Pressure Sodium Vapor	\$13.08
4,500	18	Light Emitting Diode	\$8.48
9,500	40	Light Emitting Diode	\$10.54
16,000	65	Light Emitting Diode	\$12.60

The definition of "Sales Tax" is contained within the General Terms and Conditions and are pertinent to this rate schedule. The General Terms and Conditions Section and the Lexington Utilities Customer Service Policy Manual are an integral part of this tariff.

Renewable Energy Portfolio Standards Charge
Rider REPS

Applicability

The Renewable Energy Portfolio Standards Charge set forth in this Rider is applicable to all customer accounts receiving electric service from the City, except as provided below. These charges are collected for the expressed purpose of enabling the City to meet its Renewable Energy Portfolio Standards compliance obligations as required by the North Carolina General Assembly in Senate Bill 3 ratified on August 2, 2007.

Billing

Monthly electric charges for each customer account computed under the City's applicable electric rate schedule will be increased by an amount determined by the table below:

Customer Type	Renewable Resources	DSM/Energy Efficiency	Total REPS Monthly Charge
Residential	\$ 0.54	\$ 0.07	\$ 0.61/customer
Commercial	\$ 2.95	\$ 0.00	\$ 2.95/customer
Industrial	\$30.41	\$ 0.00	\$30.41/customer

Exceptions

Industrial and Commercial Customer Opt-out

All industrial customers, regardless of size, and large commercial customers with usage greater than one million kWh's per year can elect not to participate in the City's demand-side management (DSM) and energy efficiency measures in favor of its own implemented demand-side management and energy efficiency measures by giving appropriate written notice to the City. In the event such customers opt-out, they are still subject to the Renewable Resources portion of the charges above.

Low Usage Accounts

The following service schedules will not be considered accounts because of the low energy use associated with them and the near certainty that customers served under these schedules already will pay a per account charge under another residential, commercial, or industrial service schedule:

- Schedule BC – Building Construction Service
- Schedule SL – Street Lighting Service
- Schedule TS – Traffic Signal Service
- Schedule AL – Area Lighting Service

Renewable Energy Portfolio Standards Charge
Rider REPS

Sales Tax

Any applicable North Carolina state or local sales tax shall be added to the customer's total charges for each month, determined in accordance with this Rider.

Originally Adopted June 8, 2009

Renewable Energy Credit Rider No. 5
Rider REC-5

AVAILABILITY

This optional rate rider is available to customers on any City of Lexington (“City”) rate schedule who operate solar photovoltaic, wind powered, or biomass-fueled generating systems, without battery storage, located and utilized at the customer’s primary residence or business. To qualify for this rate rider, the customer must have complied with the City’s Interconnection Standards and have an approved Interconnection Request Form. As part of the Interconnection Request Form approval process, the City retains the right to limit the number and size of renewable energy generating systems installed on the City’s System. The generating system that is in parallel operation with service from the City and located on the customer’s premises must be manufactured, installed, and operated in accordance with all governmental and industry standards, in accordance with all requirements of the local code official, and fully conform with the City’s applicable renewable energy interconnection interface criteria. Qualified customers must generate energy for purposes of a buy-all/sell-all arrangement to receive credits under this rate rider. That is, the City agrees to buy all and the customer agrees to sell all of the energy output and associated energy from the renewable energy resource. Customers with qualified systems may also apply for NCGreenPower credits or North Carolina Municipal Power Agency 1 (“NCMPA1”) Renewable Energy Certificate (“REC”) credits.

The Fixed Long-Term Rates on this Rider are available only to Customers who have executed a Power Purchase Agreement with the City before July 1, 2017 for delivery of power beginning on or before the earlier of thirty (30) months from the date of execution of the Power Purchase Agreement.

Notwithstanding the above, all qualifying facilities have the option to sell energy to the City on an “as available” basis and receive energy credits only calculated using the Variable Rates identified in this Rider for the delivered energy.

MONTHLY CREDIT

Monthly credits are paid according to the type of renewable generation.

Wind and Biomass Energy Credit (\$ Per kWh):

		<u>Fixed Long-term Rate</u>		
	<u>Variable</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Years</u>
On-peak energy*	\$0.0280	\$0.0315	\$0.0337	\$0.0361
Off-peak energy	\$0.0103	\$0.0108	\$0.0110	\$0.0117

Renewable Energy Credit Rider No. 5
Rider REC-5

Solar Photovoltaic Energy Credit (\$ Per kWh):

		<u>Fixed Long-term Rate</u>		
	<u>Variable</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Years</u>
All energy*	\$0.0304	\$0.0336	\$0.0359	\$0.0383

* These energy credits include a capacity component.

Monthly Energy:

Monthly energy shall be the total kWh of energy produced by the Customer's renewable energy generating system and delivered to the City during the current calendar month.

On-Peak Energy:

On-peak energy shall be the metered energy during the on-peak energy period of the current calendar month, whereby the on-peak energy period is defined as non-holiday weekdays from 7:00 AM to 11:00 PM EPT.

Off-Peak Energy:

Off-peak energy shall be the monthly energy less the amount of energy billed as on-peak energy.

CONTRACT PERIOD

Prior to receiving service under this Rider, the City and the Customer shall have entered either an Interconnection Agreement or executed a Certificate of Completion (inverter-based generators less than 10 kW) and a Power Purchase Agreement which covers the special terms and conditions for the customer's requirements related to the interconnection of the customer's renewable energy generating system.

Each of these agreements shall have a minimum term of one (1) year. Either party may terminate the agreements after one year by giving at least thirty (30) days previous notice of such termination in writing.

GENERAL

Service under this Rider is subject to the provisions of the Service Regulations of the City contained in the City Code of Ordinances.

Renewable Energy Credit Rider No. 5
Rider REC-5

SPECIAL CONDITIONS

The customer's service shall be metered with two meters, one of which measures all energy provided by the City and used by the customer, and the other measures the amount of energy generated by the customer's renewable energy generator which is provided to the City.

In the event that the City determines that it is necessary to install any additional equipment to protect the safety and adequacy of electric service provided to other customers, the customer shall pay for the cost of such equipment in accordance with the terms of its Power Purchase Agreement.

Adopted June 13, 2016.

PROPOSED WATER RATES EFFECTIVE JULY 1, 2016

Meter Size	<i>Inside City</i>		<i>Outside City</i>	
	Current Rate	Proposed 7/1/2016	Current Rate	Proposed 7/1/2016
	Base Charge		Base Charge	
5/8"	\$ 10.56	\$ 12.06	\$ 23.76	\$ 27.14
1"	26.39	30.15	59.38	67.84
1.5"	52.79	60.30	118.78	135.68
2"	84.46	96.48	190.04	217.08
3"	158.36	180.90	356.31	407.03
4"	263.94	301.50	593.87	678.38
6"	527.88	603.00	1,187.73	1,356.75
8"	844.60	964.80	1,900.35	2,170.80
	Volume Charge/CCF		Volume Charge/CCF	
	Current Rate	Current 7/1/2016	Current Rate	Current 7/1/2016
	\$ 1.56	\$ 1.56	\$ 3.51	\$ 3.51
	ED Volume Charge/CCF		ED Volume Charge/CCF	
	Current Rate	Current 7/1/2016	Current Rate	Current 7/1/2016
	\$ 2.34	\$ 2.34	\$ 2.34	\$ 2.34

PROPOSED WASTEWATER RATES EFFECTIVE JULY 1, 2016

Meter Size	<i>Inside City</i>		<i>Outside City</i>	
	Current Rate	Proposed 7/1/2016	Current Rate	Proposed 7/1/2016
	Base Charge		Base Charge	
5/8"	\$ 11.63	\$ 12.13	\$ 26.17	\$ 27.30
1"	29.09	30.34	65.45	68.25
1.5"	58.17	60.67	130.88	136.51
2"	93.07	97.07	209.41	218.41
3"	174.51	182.01	392.65	409.52
4"	290.85	303.35	654.41	682.54
6"	581.70	606.70	1,308.83	1,365.08
8"	930.72	970.72	2,094.12	2,184.12
10"	1,337.91	1,395.41	3,010.30	3,139.67
	Volume Charge/CCF		Volume Charge/CCF	
	Current Rate	Current 7/1/2016	Current Rate	Current 7/1/2016
	\$ 3.16	\$ 3.16	\$ 7.11	\$ 7.11
	Flat Rate WasteWater		Flat Rate WasteWater	
	Current Rate	Proposed 7/1/2016	Current Rate	Proposed 7/1/2016
	\$ 36.92	\$ 37.42	\$ 83.07	\$ 84.20
	Davidson Water Inc. Monthly Wastewater Charge (1)			
	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50

(1) If Davidson Water Inc. changes the administrative billing fee that it charges to the City, the pass-through amount collected by the City will adjust accordingly.

SPECIAL PROVISIONS:

1. Customers will receive a one-time waiver of the service charge for initial meter turn-ons.
2. Subsequent meter turn-ons, made for seasonal water usages or other such circumstances, will require a charge of **\$40.00** for restoration of service.

GLOSSARY OF TERMS

ADA: The commonly used acronym for the Americans with Disabilities Act.

ADOPTED BUDGET: Term used to describe revenues and expenditures for the upcoming year beginning July 1 as adopted by the City Council.

AMENDMENT: An ordinance or resolution that is adopted by City Council during the fiscal year to change the original budget appropriations or estimated revenues.

APPROPRIATION: A budgeted expenditure authorization granted by City Council to incur obligations.

ASSESSED VALUATION: A value established by Davidson County for property in the corporate limits. The value is then used as a basis for levying property taxes at the adopted tax rate.

BALANCED BUDGET: Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is a requirement that the budget submitted to the City Council be balanced.

BENCHMARKS: Comparisons of a department's effectiveness or efficiency.

BOND REFERENDUM: An election in which citizens vote on whether the City will be allowed to issue debt in the form of interest-bearing bonds.

BUDGET: A comprehensive financial plan of operation for a specified period of time that matches all planned revenues and expenditures with various municipal services.

BUDGET CALENDAR: The schedule of key dates or milestones, which the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT: The official written statement prepared by the City staff reflecting the decisions made by the City Council in their deliberations.

BUDGET MESSAGE: A general discussion of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget changes from previous fiscal years, City Council goals, and the views and recommendations of the City Manager.

BUDGET ORDINANCE: The schedule of revenues and expenditures for the upcoming fiscal year by fund, which is adopted by the City Council each year.

CAPITAL CONSTRUCTION PROJECTS: Major construction for items such as buildings, parks, streets, bridges, utility distribution systems, etc.

CAPITAL IMPROVEMENTS PROGRAM (CIP): The annually updated plan or schedule of project expenditures for public facilities and infrastructure (buildings, roads, etc.), with estimated project costs, sources of funding, and timing of work over a five year period.

CAPITAL OUTLAY: Any asset which is tangible in nature and has a useful life longer than two years and which meets the following criteria in regard to value. Buildings, other improvements, machinery and equipment purchased by the City, which individually amount to a value of \$5,000 or greater are

capital. Normal maintenance expenditures and expenditures for software are not capital.

CCF: Acronym for one hundred cubic feet, a measurement used for water consumption which equates to approximately 750 gallons.

DEBT SERVICE: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

DEPARTMENT: A major administrative division of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area.

DT: Acronym for Dekatherm, a measurement used for natural gas energy usage; the quantity of heat energy that is equivalent to one million Btu (British thermal unit). One Btu is the amount of heat required to raise the temperature of one pound of water one degree at 60 degrees Fahrenheit.

ENCUMBRANCE ACCOUNTING: The system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

FISCAL YEAR: The time period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year. Budgeting is carried out on a fiscal year schedule for local governments in North Carolina.

FUNCTION: A group of related programs crossing organization (departmental) boundaries and aimed at accomplishing a broad goal or major service. Functions include General Government, Public Safety, Highways and Streets, Sanitation, Culture and Recreation, Economic Development, Debt Service and Other Financing Uses.

FUND BALANCE: Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina general statutes dictate that a portion of fund balance is not available for appropriation in the following fiscal year.

GAAP: Acronym for Generally Accepted Accounting Principles, which are the conventions, rules, and procedures necessary to describe accepted accounting practices at a particular time.

GENERAL OBLIGATION (G.O.) BONDS: Debt issued by the City, repayment of which is backed by full taxing power of the City.

GFOA: Acronym for Government Finance Officers Association.

GOAL: A statement of broad direction, purpose or intent based on the needs of the community.

INSTALLMENT FINANCE: Method of financing used for acquisition of equipment or improvements to property. The title to the property transfers to the City at the end of the lease.

INTEREST EARNED ON INVESTMENTS: Revenue earned on investments with a third party. The City uses a pooled cash system, in that cash is aggregated or pooled from all funds and invested in total. The interest earned is then allocated back to the individual funds based on the average daily cash balance in each respective fund.

INTERFUND TRANSFERS: Amounts transferred from one fund to another.

KWh: An acronym that stands for kilowatt-hour. A kilowatt-hour is a measurement of electric energy usage.

MGD: Acronym for one million gallons per day.

NCDOT: Acronym for North Carolina Department of Transportation.

OBJECTIVE: A statement of specific direction, purpose or intent to be accomplished by staff.

OTHER FINANCING SOURCE: Increase in current financial resources that is reported separately from the revenues to avoid distorting revenue trends. The use of other financing sources category is limited to items so classified by GAAP, such as transfers from other funds or debt proceeds.

OTHER FINANCING USE: Decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. The use of the other financing uses category is limited to items so classified by GAAP, such as transfers to other funds.

PAY AND CLASSIFICATION PLAN OR STUDY: An inventory of positions and the worth of each position to an organization which is then assigned to classes requiring knowledge, skills, responsibilities, and duties similar enough to be assigned the same salary level.

POWELL BILL: Funding from state-shared gasoline tax, which is restricted for use on maintenance of local streets and roads.

PROPERTY TAX RATE: The rate at which real and personal property in the City is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

PROPERTY TAXES (AD VALOREM TAXES): Taxes paid by those owning property in the City. These taxes are based on assessed valuation.

REVENUE: Income received from various sources used to finance government services.

REVENUE BONDS: Bonds payable from a specific source of revenue or user fees that do not pledge the full faith and credit of the City.